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## Interagency Contracts Coordinating Team (ICCT)

### Meeting Minutes

#### January 10, 2006

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**Attending:** Laura Nelson (OFM), Melanie Buechel (OSPI), Christopher Carlile (OFM), Debbie Dunn (DOP), Anne Holm (SAO), Del Hontanosas (CTED), Susan Johnsen (OFM), Meggan Leonard, (OSPI), Jim Matthews (DOH), Larry Oline (ESD), Nancy Ringstad (DOL), Mark Tyler (DSHS), and Megan McKay (OFM).

#### UBI Issues/Subrecipient Issues

Anne Holm clarified the status of UBI requirements and responsibility for contracts. Recent audits raised the question of who is responsible for monitoring the UBIs and whether all vendors are currently required to provide a UBI.

The State Auditors Office included the following information in their 2005 Annual Report:

*“During an audit of a state agency, we found that the agency had contracts with several businesses that were not registered to do business in Washington. We believe this may be occurring in other agencies.”*

*“Agencies are not currently required to verify that vendors are registered in the state before contracting with them for services. State law does require such verification for public works projects, but the law does not address other state contracts.*

*“Since there is no requirement for state agencies, we will not pursue this issue in our agency audits. State policy makers should consider making agencies responsible for ensuring that the businesses they contract with are properly registered and are paying tax to the state.”*

Anne also clarified the issue of “Subrecipient” discussed at the last ICCT meeting. From the federal perspective, all state agencies are a single recipient (the state of Washington operates as one entity). She stated that the federal government does not acknowledge another state agency as a subrecipient when funding is flowing from one state agency to another (because we are considered one single entity). Conversely, if funding flows from a state agency to a local government, then the local government entity is a subrecipient.

#### Charting Our Own Course for Contracts

Tom Goldsby was scheduled to initiate discussion about the creation of the Contracting Oversight Board charter and what it should include, but he wasn't able to attend the meeting. Laura led the discussion and asked the group to help provide information and ideas about what to include in the charter to assist Tom.

Laura provided a sample of another charter's table of contents as a good example for ideas for the Contracting Oversight Board charter. Some of the ideas that were shared include:

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| <ul style="list-style-type: none"><li>◆ Introduction</li><li>◆ Purpose</li><li>◆ Scope</li></ul> | <ul style="list-style-type: none"><li>◆ Players</li><li>◆ Functions</li><li>◆ Outcomes</li></ul> | <ul style="list-style-type: none"><li>◆ Objectives</li><li>◆ Identify laws that need to be changed</li><li>◆ Lessons learned</li></ul> |
|--|--|--|

- ◆ Improvements Made
- ◆ Best practices
- ◆ Recommendations to the Legislature
  - Streamlined procurement process
  - Simplify the contract-type categories

There was more discussion about the Contracting Oversight Board and areas of contracting that need improvement. Once ideas are better formulated, communication with other stakeholder agencies would occur.

It was suggested that the charter remain simple, straightforward and be used as a marketing tool for bringing stakeholders together. To help make the ICCT case, Jim suggested completing the updates/improvements to the IAA template, then use this accomplishment as an example of the progress and improvements made by the ICCT.

#### **Date of Execution Issues**

Mark Tyler shared DSHS concerns regarding “Date of Execution” vs. using a firm start-date for contracts. The agency is working to eliminate the number of late contract filings and therefore looking at revising their contract requirements. Mark asked the group for feedback about different agency procedures and how they were working.

Laura suggests the start date can be “Date of Execution”, however pointed out the fact that it gets much stickier with the personal service contracts because of the 10-day filing requirement.

DOH uses the “Date of Execution” with the knowledge that no work may be performed until after the contract is signed. If the work needs to be performed - or for any reason gets performed before the “Date of Execution”, the contract manager is required to use a “firm start date”, declare it a *late filing* and attach a signed letter from the Assistant Director stating the reason for the late filing.

Del asked about amendment “late filings” and what the best practice was. It was confirmed by the group that it is always better to have something - anything - on record (after-the-fact) than to have nothing at all.

#### **Ethics: Certification of Current State Employees**

Mark asked how the other agencies are handling the responsibility of providing proof of Ethics Board approval for current employees. He reiterated the fact that the statute places the burden on the contractor.

DOH puts the burden of this requirement on the contractor.

OSPI takes on this responsibility. Melanie is the Ethics Officer for the agency and therefore wants to ensure the requirement is met.

DOP feels that it is helpful that OFM requires this information in the filing process because it encourages the program staff to comply.

Anne added that she feels this ethics issue is similar to the UBI issue, and she knows there have been some “Whistleblower” issues in this area.

Because of the ethics requirements, Susan indicated a filing won’t be processed until the ethics requirement has been satisfied.

**Miscellaneous**

- ◆ ICCT Web pages were distributed for the group to review. Because OFM is in the process of developing a new look and feel for their site, the ICCT pages are being redone. Some of the suggestions made by the group were:
  - Expand on the “Purpose” of the ICCT
  - Add the “State Grants Guidance Document”
  - Add ICCT “Accomplishments”
- ◆ Jim asked about other agency processes for working with consolidated contracts. Larry will send him an example of what ESD uses.
- ◆ Del asked Mark for an update on their GMAP progress. Mark remarked that much has been learned through the process of scrutinizing the agency procedures and processes. A DSHS trend chart indicated a reduction in “after-the-fact” contracts in the past three years.

At Laura’s request, Mark agreed to bring the GMAP presentation to the next ICCT meeting for group review and discussion.

Jim suggested the group brainstorm performance measures that could be tracked in GMAP and discuss these items in a future ICCT meeting.

**NEXT MEETING**

The next meeting will be February 14, 2006. The meeting will be held on the third floor of the General Administration building - Conference Room 331L, which is located next to the OFM Contract Services office. The meeting will begin at the usual time, 1:30 p.m. to 3:30 p.m.

The agenda for next month’s meeting will include:

- ◆ ICCT Subcommittee Report update, by Mark Tyler.
- ◆ Review of GMAP presentations (don’t forget to bring your presentation if you have one!)

If you have suggestions for other agenda items, please contact Laura Nelson, 725-5259.

*Meeting adjourned at 3:30 p.m.*